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# FM Maintenance & Repair and Other Projects

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## I. REASON FOR THIS POLICY

To ensure proper steps are followed in the allocation of Maintenance and Repair annual funding; obtaining proper authorization to spend university or departmental funds; and ensure the strategic connection of resources – both human and financial.

## II. STATEMENT OF POLICY

All projects greater than \$7500, whether they are maintenance and repair items, new construction or renovations, are submitted for consideration for the next fiscal year in the fall timeframe of each year. These requests will include all sources from USD Foundation to annual HEFF M&R to external grants or contracts to departmental funds.

Facilities Management is asked to submit projects necessary to sustain the physical plant infrastructure as well as any ADA, asbestos or other compliance projects required by law or health and safety. At the same time, each Vice President is asked to submit projects that are programmatic in nature. Examples of projects that may be considered “programmatic in nature” are: renovations to meet new requirements, carpet, air conditioning, etc. The University Budget Committee (UBC) will review all requests and submit its recommendations to the President for approval at the November UBC meeting. Once the President has approved the requests, the list is presented to the Board of Regents at the December meeting for final approval.

### III. DEFINITIONS

The following definitions will be used when classifying maintenance and repair projects:

**Projects** – Any new renovation or construction to any facility at any USD location (which may include distance sites). This includes all maintenance, repair, renovation to current buildings and any new construction.

**Maintenance** - Maintenance is the recurrent, day-to-day, periodic or scheduled work required to preserve or to restore a facility to such conditions that it can be effectively used for its designed purpose. It includes work done to prevent damage to a facility that would be more costly to restore once damage took place and includes work performed to ensure immediate and continued safe use of the facility. Maintenance includes normal operating expenses (OE) and planned preventative maintenance but for funding purposes will be defined as any project over \$7,500. Any project exceeding \$1,500,000 will be a capital improvement project and will be governed by the BOR Policy 6:4.

**Repair** - Repair is the restoration of a facility to such condition that it may be effectively utilized for its designated purpose. The repair is done by overhaul or replacement of major constituent parts that have deteriorated by action of the elements or usage. The deterioration has not been corrected through normal operations or maintenance. Replacing roofs, tuck pointing buildings, and replacing air conditioning compressors are examples of repairs. For the purpose of determining funding, repairs are beyond OE capability and normally consist of projects in excess of \$7,500. Any project exceeding \$1,500,000 will be a capital improvement project and will be governed by the BOR Policy 6:4.

**Renovation** - Renovation is the total or partial upgrading of the facility to higher standards of quality or efficiency than originally existed. New installation of air conditioning, installation of grid ceilings with recessed fluorescent lighting to replace suspended incandescent lighting, and enclosing stairwells to comply with current fire safety codes are examples. Any project exceeding \$1,500,000 will be a capital improvement project and will be governed by the BOR Policy 6:4.

**Alteration** - Alterations change the internal arrangement or other physical characteristics of an existing facility so that it may be effectively used for its designated purposes. Examples are partitioning a classroom into offices or converting a room to laboratory use by installing laboratory benches and fume hoods. Any project exceeding \$1,500,000 will be a capital improvement project and will be governed by the BOR Policy 6:4.

**Operating Expenses** - Operating Expense (OE) funds as they relate to maintenance and repair include the routine, recurrent, periodic or scheduled work required to preserve existing facilities. OE encompasses all activities related to the normal

operations of an institution, including purchase of materials, utilities, janitorial services, etc. OE may include maintenance, repair, renovation or alteration projects smaller than \$7,500.

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## IV. PROCEDURES

Budget and Finance initiates a request for desired projects for the coming fiscal year.

- In September, an initial meeting with Facilities Management, Vice President of Administration/Technology and Vice President of Financial Affairs is set to review the progress of all projects (M&R and all others). They will decide how to approach the allocation requests for the upcoming fiscal year.
- Schools/Departments must submit ALL projects and scope to their respective VP. Approvals from their respective department/unit heads needs to be obtained at each level.
- VP will prioritize all projects and requests. Project Initiation Requests (PIRs) are submitted from the respective Deans or Unit Heads for only those projects the VP approves to move forward to Facilities Management for estimates. Prior to PIRs being requested it is recommended a meeting be held between VP, FM and VPAT to understand overall scope of projects prior to any estimates being obtained.
- FM-P&C provides estimates to each VP using project scope in PIR.
- VP submits their prioritized requests to Department of Budget and Finance by end of October.
- Facilities Management creates their project list (top priority projects) for upcoming fiscal year. These projects are to address ADA, asbestos abatement, or other health and safety compliance requirements as well as other projects as deemed necessary for the upcoming fiscal year.
- All requests, with estimates from FM-P&C are due into budget office by the end of October.
- The completed list of projects is presented to UBC for deliberation. UBC makes recommendations to the Executive Committee and the President. This process is completed in mid November.
- The President reviews and approves the final list of recommended projects by the end of November.
- The President approves the project list as well as the recommended funding source for the next fiscal year.
- M&R Project list is submitted to the Board of Regents.
- Revisions will be made as needed to approved projects due to changes in construction schedule or emergency need(s) of the campus as deemed by the President of the University.

## V. RELATED DOCUMENTS, FORMS AND TOOLS

For further information, see the Board of Regents Facilities Policy

(<https://www.sdbor.edu/policy/Pages/Section-6-Facilities.aspx>)

Project Initiation Request (<https://my.usd.edu/uPortal/p/facilities-management>)